

APPENDIX M

RELEVANT CENTRAL ARIZONA WATER CONSERVATION DISTRICT BOARD BRIEFS

**Draft Environmental Impact Statement
Allocation of Water Supply and
Long-Term Contract Execution
Central Arizona Project**



BOARD AGENDA BRIEF

ITEM NO. 5.

INFORMATION ONLY

CONTACT: Larry Dozier
Phone: 623-869-2377
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DATE: March 30, 2000

SUBJECT: Discussion of Excess Water Marketing for Non-Indian Agricultural and Other Uses

PREVIOUS BOARD ACTION/ACTIVITY:

(For copies of documents or related information, please call the contact person listed above.)

ISSUE SUMMARY:

The Repayment Settlement Stipulation provides that CAWCD may, at its discretion, establish programs for the sale of Excess Water in various categories and with different charges. It specifically provides for categories reserved exclusively for Non-Indian Agriculture (NIA) and the Arizona Water Banking Authority (AWBA). It also provides that the U.S. or Indian contractors may purchase water from any categories not so reserved. Staff and representatives of a cross-section of our customers have spent several months discussing potential categories and prices. The most crucial of these categories is the category of NIA.

As part of the overall water allocation resolution and to allow the GRIC settlement to proceed, the NIA subcontractors must give up claims to long-term NIA water allocations. To convince them to do so, they must have an assurance of a reasonable supply of reasonably priced Excess Water. Attached is a draft discussion paper, *CAP Excess Water Categories and Pricing - 2004-2030*. The paper considers the marketing of Excess Water in many different categories. We already have policies and prices for most categories. Also attached is a draft policy for marketing Excess Water for NIA purposes. Our current approach of providing a five year plan for water marketing works well. However, NIA users feel they need a plan through 2030 to provide some future certainty to convince the landowners to release their claims to their long-term subcontracts.

The discussion paper proposes an exclusive category of NIA Excess Water beginning at 400,000 af with stepped reductions to 225,000 af ending in 2030. The price would be only the energy

component of costs. There are certain restrictions that require use of some NIA water to be eligible for participation as a groundwater savings facility with a partner that is purchasing incentive priced recharge water. This part of the proposal is controversial with some municipal and Ag customers who have enjoyed cost sharing of incentive priced CAP water to accrue underground storage credits.

Development of a long-term program to market NIA Excess Water will be controversial and challenging. To keep the momentum going for overall settlement of Arizona water issues, we need to adopt a policy in the next few weeks, preferably at the May Board meeting.

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Attachments

CAP EXCESS WATER CATEGORIES AND PRICING - 2004-2030

Summary

The Repayment Settlement Stipulation provides that CAWCD may, at its discretion, establish programs for sale of Excess Water in various categories and with different charges. The Stipulation provides for, and anticipates categories reserved exclusively for non-Indian Agriculture use (NIA) and for the Arizona Water Banking Authority (AWBA). It also provides that the U.S. or Indian contractors shall have the right to purchase Excess Water from any category not reserved exclusively for NIA or the AWBA. This discussion paper describes a proposal for establishing categories of Excess Water, with particular eligibility criteria, priority, and price for each category.

The first category is for NIA use and is priced at energy rate 1. It is a limited pool beginning at 400,000 acre-feet (af) and declining to 225,000 af, and ending in 2030. It is the highest priority use for Excess Water. The second category is reserved for the AWBA for in-state underground storage purposes. It is priced at an incentive recharge rate which is energy rate 2 plus other costs as set by current policy (about \$5). The third category of Excess Water is set at full price, including any capital charge, and is available for sale to any user including the CAGR, cities, Ag entities, water companies, private entities, Indians, or federal. The Board may limit the amount of water available in this category. The fourth category would be any remaining available water for any use including NIA, Indian, federal, and recharge. There may be various subcategories and differing prices depending on the amount of water and competing demands.

The fifth category is the last priority and is to be used by the AWBA for interstate storage purposes. The price will be as established by the Board consistent with state laws.

Excess Water is generally considered to be all Colorado River water available for delivery through the CAP under normal, shortage, or surplus conditions on the Colorado River that is in excess of the amounts scheduled for delivery under long-term contracts and subcontracts. It is specifically defined in the Stipulation. The categories and pricing discussed apply only to Excess Water; all long-term contract and subcontract orders will be scheduled ahead of Excess Water. Monthly delivery capacity limitations on those orders will be as established by contract or agreement. Staff analysis of the CAP system operational capability indicates we can meet the commitments of our long-term contractors and subcontractors and provide a similar level of service to Excess Water contractors.

The availability of Excess Water is determined annually. A contract for Excess Water does not provide any right for recurring use and does not imply right for permanent service.

The Board will commit to a NIA category and pricing methodology through 2030. All other categories will be identified and established for a five year period. Each succeeding year, the Board will extend or change the program to identify the fifth year program.

Discussion

CAWCD will establish a category of water for NIA use available at a reasonable price for the period 2004 through the year 2030 in order to facilitate several important purposes. Most

importantly, a CAP objective was and is to replace Agricultural groundwater use with CAP water use to preserve groundwater resources. The Stipulation fixed the non-interest bearing portion of the CAP repayment at 27%. This agreement was based on the assumption that an NIA program similar to the program proposed would be implemented. Agricultural use is a must if we intend to bring most or all of our Colorado River allocation into Arizona. In the past few years, use of the current Ag pool water has exceeded 500,000 af per year, about 35% to 50% of total CAP use. In addition, Ag has participated through in-lieu recharge for an additional 200,000 af to 350,000 af. Also, as a part of the GRIC settlement, the GRIC insists that certain irrigation districts have a reasonably priced long-term Ag pool available so that the irrigation districts will use CAP water instead of pumping groundwater which contributes to groundwater moving away from the GRIC reservation area.

In order to make water available to facilitate the Indian water rights settlements, NIA users must terminate their long-term subcontract rights. The NIA users insist upon access to a supply of CAP water in reasonable amounts and at a reasonable price as a condition of release of their long-term rights.

CAWCD recognizes it is desirable that NIA water be available to all NIA users at the same price, regardless of whether or not the irrigation district has or had a subcontract or federal distribution system debt. All irrigation districts and other current Ag users will be given the opportunity to elect to participate or not participate in the NIA category Excess Water program.

As part of CAP's role in helping to manage central Arizona's groundwater resource, it is important that we continue to have direct Agricultural use of CAP water in addition to in-lieu recharge. We recognize that as a result of cost sharing with the AWBA or other incentive recharge partners, the price of the NIA Excess Water, at variable cost (energy rate 1), will probably be more expensive for the agricultural entity than in-lieu water delivered to a groundwater savings facility (GSF). In order to ensure continued direct Ag use of CAP water, CAWCD will require the use of NIA Excess Water as a condition of participating in in-lieu arrangements with purchasers of CAP water at the incentive recharge rate, or in the alternative, the in-lieu partner will leave an additional 10% for a total of 15% of the recharged water as a "cut for the aquifer." More specifically, M&I entities who purchase CAP water at the incentive recharge rate for long-term underground storage will have the following options if using an agricultural user for an in-lieu partner at a GSF.

1. The Ag user must use all of its allocated share of the NIA Excess Water, then it can take as much incentive-priced in-lieu water as is consistent with availability, need, and the GSF permit. NIA category and in-lieu water can be delivered concurrently, but end of calendar-year total use must account for all NIA category usage.
2. If the Ag user does not participate in the NIA category or does not use all of its allocation of the NIA category, then incentive priced in-lieu water from the AWBA category or possibly the fourth category may be available to the GSF storing partner at one acre foot of in-lieu for each acre foot of NIA water purchased. Some NIA category water may be

available for others if not all of the NIA category water is ordered by the participants or if other NIA Excess Water is available in the fourth category.

3. If the Ag user does not order NIA category Excess Water due to pricing, RRA ineligibility, or any other reason, the M&I partner may be able to purchase Excess Water at the rate established in the fourth category, but will be required to accept a lesser credit for later recovery. Current state law requires a 5% reduction in the recovery of stored water as a "cut for the aquifer" to help meet overall groundwater management goals. In recognition of these goals and the lower cost incentive recharge rate, the M&I partner will leave an additional 10% "cut for the aquifer" for a recovery right of 85% of the stored water. A second option is to allow credits for 95% of the stored water if the irrigation district, which is the GSF Partner, also delivers a surface water supply and 50% of the credits are committed to use to offset shortages in those surface water supplies. The other 50% of the credits will be available for use by the M&I partner as permitted by appropriate state law.
4. If the M&I partner and the Ag user (GSF operator) do not wish to participate under any of the above conditions, the M&I entity may purchase Excess Water from the full cost category, if available, or regular subcontract water for in-lieu recharge.

Attached is a NIA Category Allocations paper that includes a table that illustrates some options of allocations of NIA category Excess Water to agricultural entities.

We believe that customers for Excess Water at the full OM&R plus capital rate, such as CAGRD, should have the opportunity to purchase Excess Water. However, it will be necessary to make certain commitments to the NIA users who relinquish their subcontract allocations. In addition, it is important that a reasonable supply of water be available for the AWBA in order to meet shortage protection goals.

In consideration of the principles stated above, CAWCD proposes to establish the following categories of Excess Water:

NIA Category - This category is exclusively for non-Indian Ag use and is the highest priority Excess Water category. For the period 2004 through 2030, CAWCD will establish an NIA pool beginning at 400,000 af, declining to 300,000 af beginning in 2017, and further declining to 225,000 af in 2024. All irrigation districts and other Ag user entities would be given an opportunity to elect to participate in the pool. The level of participation (water share) will be based on the CAP eligible irrigable acres within the entity's service area. The acreage included to determine the proportionate share will be CAP eligible acres that are capable of receiving CAP water service and are dependent on a groundwater supply. If eligible acres convert to M&I use, the proportionate share for the participant will be recalculated. Such review and recalculation will be done every three (3) years. If the initial allocation does not require the entire available pool or if in any year a participant does not elect to schedule its full share, the remaining amount will be offered to other pool participants pro rata until it is fully scheduled or there are no further requests. Participants should keep in mind the requirement to use the NIA category Excess Water as one of the prerequisites to in-lieu participation with incentive recharge partners.

The price for this NIA category shall be the energy rate 1 as established by the CAWCD Board of Directors.

AWBA Category - This category is established exclusively for use by the AWBA for underground storage to meet the in-state purposes of the AWBA. The size of the pool and price shall be as established by the CAWCD Board of Directors. Current Board policy has established the price at energy rate 2, plus 10% of the fixed OM&R rate component, and a component for lost revenues.

Full Cost Category - This is the most expensive category. It may be used for the CAGR, direct M&I, recharge, Ag, Indian, federal, or any other use at the full OM&R and capital cost or at the rate established by the CAWCD Board if different from full cost recovery. The Board shall, if necessary, limit the size of the pool after taking into account the available Excess Water supply and commitments to deliver water to the NIA category and the AWBA category.

Other Category - The remaining available water supply after meeting the orders in NIA, AWBA and Full Cost categories will be available for other Ag use, Indian use, miscellaneous use, federal use, or underground storage by Arizona entities (other than CAGR) who do not have long-term contracts or subcontracts or who have used all water available under such contracts. Different prices, eligibility criteria, or delivery constraints may be established for different uses. The price will be as established by the Board of Directors, but is expected to be no less than incremental delivery cost - energy rate 2, an OM&R component and a lost revenue component.

Interstate Storage Category- Any remaining Excess Water may be marketed to the AWBA for interstate storage. The price will be as established by the Board of Directors and will include full OM&R, energy rate 2, a capital charge, an in-lieu tax charge, and an administrative charge.

If in any year the orders for water in any category exceeds the water available in that category, CAWCD will develop a procedure to apportion the supply.

Attachments

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March 27, 2000 (1:02PM)

PROJECTED CAP DELIVERIES RESULTING FROM SETTLEMENT

UNITS = 1,000 AF

03/23/2000

Year	Long Term Contracts				Excess Water			Total
	Indian On Reservation (Inc. Ak-Chin)	Total M&I Demand	Indian Leases	M&I Sub	Ag Pool	CAGR D & Full Cost Excess	AWBA & Other Uses	
1999	68	241	33	200	558	8	383	1,250
2000	65	249	50	189	619	10	458	1,391
2001	89	271	41	218	584	12	530	1,474
2002	102	293	47	232	539	14	481	1,415
2003	107	315	79	219	498	17	495	1,415
2004	117	337	85	234	400	18	561	1,415
2005	126	359	99	240	400	20	530	1,415
2006	138	382	113	247	400	22	495	1,415
2007	150	403	127	259	400	17	462	1,415
2008	162	425	141	266	400	18	428	1,415
2009	174	447	155	273	400	19	394	1,415
2010	186	470	169	280	400	21	359	1,415
2011	198	482	183	277	400	22	335	1,415
2012	210	495	197	275	400	23	310	1,415
2013	222	508	211	273	400	24	285	1,415
2014	234	521	225	271	400	25	260	1,415
2015	246	534	225	283	400	26	235	1,415
2016	258	546	225	294	400	27	211	1,415
2017	270	559	225	307	300	27	286	1,415
2018	282	572	225	319	300	28	261	1,415
2019	294	585	225	330	300	30	236	1,415
2020	306	598	225	341	300	32	211	1,415
2021	318	611	225	353	300	33	186	1,415
2022	330	624	225	365	300	34	161	1,415
2023	342	637	225	376	300	36	136	1,415
2024	354	650	225	387	225	38	186	1,415
2025	366	663	225	398	225	40	161	1,415
2026	378	677	225	410	225	42	135	1,415
2027	390	690	225	421	225	44	110	1,415
2028	402	703	225	432	225	46	85	1,415
2029	414	716	225	443	225	48	60	1,415
2030	440	729	225	454	225	50	21	1,415
2031	440	740	225	463	235	52	0	1,415
2032	440	751	225	469	224	57	0	1,415
2033	440	762	225	477	213	60	0	1,415
2034	440	773	225	483	202	65	0	1,415
2035	440	784	225	489	191	70	0	1,415
2036	440	795	225	495	180	75	0	1,415
2037	440	806	225	506	169	75	0	1,415
2038	440	816	225	516	159	75	0	1,415
2039	440	827	225	527	148	75	0	1,415
2040	440	838	225	538	137	75	0	1,415
2041	440	849	225	549	126	75	0	1,415
2042	440	860	225	560	115	75	0	1,415
2043	440	871	225	571	104	75	0	1,415
2044	440	882	225	582	93	75	0	1,415
2045	440	893	225	593	82	75	0	1,415
2046	440	904	225	604	71	75	0	1,415

Total =

9,446

AG POOL ALLOCATIONS
2004 - 2030

CAWCD will establish an incentive price Ag water pool for the period 2004-2030 as discussed in the companion document entitled CAP Excess Water Pools and Pricing 2004-2030. Attached are some examples of how this pool might be allocated.

The initial pool will consist of 400,000 af. Allocation of the pool among users will be based on CAP eligible, irrigable acres that are RRA eligible. If any entity has a surface water supply, the eligible acreage will be reduced to represent only the acreage that is dependent on a groundwater supply. Eligible acreage will be determined by CAWCD after consultation with the Ag users and the DWR. Information regarding RRA eligibility must be consistent with information provided by the USBR. Also, the conditions of the Groundwater Savings Facility permit will be considered.

As a part of the GRIC Settlement, it is desirable that those irrigation districts that border the reservation or potentially impact groundwater levels within the reservation boundaries, be allocated a significant amount of CAP Ag water. Therefore, MSIDD, CAIDD, Hohokam ID, SCIDD, and NMIDD were allocated 1.3 af/acre. The HVID has a history of purchasing substantial amounts of Ag water and has not been used as a Groundwater Savings Facility with in-lieu partners. To help support their historic demand, HVID was allocated 1 af/acre. The

remaining irrigation districts and Ag user entities were allocated .5 af/acre. Under most circumstances, this will not fully allocate the 400,000 af pool. Any amount remaining will be offered to the participating districts and if necessary, will be prorated based on the eligible acres of those districts requesting additional water. If any pool water remains unscheduled, it may be offered to other CAP eligible Ag users who did not elect to participate in the pool.

It is possible that some entities may be able to use Ag pool water only if surplus conditions on the Colorado River result in waiver of certain RRA eligibility requirements. CAWCD will consider expanding the size of the Ag pool under surplus conditions or will make the additional water available to Ag users from Pool excess water.

Attachments

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March 27, 2000 (12:59PM)

CAP NIAg Pool

Standard Allocation

	<u>Eligible Acres</u>	<u>Acre-feet per Acre</u>	<u>Initial Volume</u>
Central Arizona	85,979	1.3	111,773
Chandler Heights	1,119	0.5	560
Cortaro-Marana	11,500	0.5	5,750
Harquahala	33,007	1.0	33,007
Hohokam	26,356	1.3	34,263
Maricopa-Stanfield	85,994	1.3	111,792
MWD	8,000	0.5	4,000
New Magma	27,310	1.3	35,503
Queen Creek	18,112	0.5	9,056
Roosevelt ID	19,130	0.5	9,565
Roosevelt WCD	18,000	0.5	9,000
SRP	12,000	0.5	6,000
San Carlos	25,884	1.3	33,649
San Tan	2,826	0.5	1,413
Tonopah	<u>3,470</u>	0.5	<u>1,735</u>
Total	378,687		407,065

Non-RRA Allocation

	<u>Eligible Acres</u>	<u>Acre-feet per Acre</u>	<u>Initial Volume</u>
BKW	5,000	0.5	2,500
FICO	6,194	0.5	3,097
Kai	<u>2,000</u>	0.5	<u>1,000</u>
Total	13,194		6,597



draft

**CAWCD POLICY FOR MARKETING OF EXCESS WATER
FOR NON-INDIAN AGRICULTURE USE - 2004 THROUGH 2030**

BACKGROUND

The Repayment Settlement Stipulation provides that CAWCD may, at its discretion, establish programs for the sale of Excess Water in various categories and with different charges. It specifically provides for a category reserved exclusively for Non-Indian Agriculture (NIA).

As part of the overall water allocation resolution and to allow the GRIC settlement to proceed, the NIA subcontractors are being required to give up claims to long-term NIA water allocations. To convince them to do so, they must have an assurance of a reasonable supply of reasonably priced Excess Water beginning in 2004 when the current program expires and continuing through 2018.

The attached discussion documents describe an exclusive category of NIA Excess Water beginning at 400,000 af with stepped reductions to 225,000 af ending in 2030. The price would be only the energy component of costs. There are certain restrictions that require use of some NIA water to be eligible for participation as a groundwater savings facility with a partner that is purchasing incentive priced recharge water.

POLICY

It is the policy of CAWCD to promote the continued use of Excess CAP Water by Non-Indian Agriculture (NIA). This policy establishes a program that provides:

A. As long as Excess Water is available, CAWCD shall reserve and make available for exclusively NIA use at least 400,000 af/year for the period 2004 through 2016, 300,000 af/year for the period 2017 through 2023, and 225,000 af/year for the period 2024 through 2030. This use shall be the highest priority use for Excess Water.

B. The charge for NIA use Excess Water will be equal to the Pumping Energy Charge established for delivery of water to long-term contractors and subcontractors.

C. The right to monthly delivery capacity for scheduled NIA water shall be equal to the rights of long-term contractors and subcontractors.

[D. A program for determining the allocation of the NIA pool among eligible users and for predicting the eligibility to participate as a groundwater savings facilities established in the manner described in the accompanying discussion documents.]

NOTE: The definitions for Excess Water, Pumping Energy Charge, and long-term contractors and subcontractors are the definitions provided in the Repayment Settlement Stipulation.

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BOARD AGENDA BRIEF

ITEM NO. 6 INFORMATION ONLY

CONTACT: John Newman
Phone: 623-869-2338
Fax: 623-869-2674

DATE: January 14, 2000

SUBJECT: Forward Pricing Program and Proposed 2001 Water Rates

PREVIOUS BOARD ACTION/ACTIVITY:

The Board approved the preliminary 2000 Water Rate Schedule in February 1999 and approved the final 2000 Water Rate Schedule in June 1999.

(For copies of documents or related information, please call the contact person listed above.)

ISSUE SUMMARY:

As provided in the District's rate setting policy, staff has developed a proposed rate schedule and analysis which recommends firm rates for 2001 and advisory rates for 2002 through 2005. The policy provides for Board approval of the preliminary 2001 water rate schedule in February and approval of the final 2001 water rate schedule in June. The proposed rates and rate design were derived from the long range financial analysis and forecast. A draft preliminary water rate schedule, water rate design table, and selected graphs are attached.

Capital Charges

The District's forward pricing program included a scheduled increase in the capital charge from \$48 per acre-foot in 1999 to \$54 per acre-foot in 2000 for M&I subcontractors. However, based upon a staff recommendation, the Board approved leaving the capital charge at \$48 per acre-foot for 2000. The water rate design and long-range financial plan which supported the 2000 water rate schedule showed an increase in the capital charge to \$54 per acre-foot beginning in 2001. Staff continues to recommend that reserve levels be maintained at about their current level until financial issues associated with the repayment litigation are resolved. Maintaining capital charges at \$48 per acre-foot over the next five years will achieve this goal. In other words, it is not necessary to increase capital charges to \$54 per acre-foot in order to maintain stable reserve fund levels over the next five years. A graph of projected reserves at various levels of capital charges is attached.

AWBA and M&I Incentive Recharge Programs

A separate "postage stamp" energy rate has been established for deliveries to the AWBA and to M&I Incentive Recharge customers. This rate includes the actual cost of any additional energy requirements, 10 percent of the District's fixed OM&R cost, and a component to recover lost revenue from federal deliveries.

The delivery price for AWBA and M&I Incentive Recharge is the energy rate 2 component (\$40 per acre-foot) plus 10 percent of the fixed OM&R charge (\$2.90 per acre-foot) plus a component representing recovery of lost revenue from federal deliveries (\$2.22 per acre-foot) which yields a total rate of \$45 per acre-foot for 2001. This rate is \$1 per acre-foot higher than the 2000 rate.

A draft Preliminary 2001 Water Rate Schedule is attached.

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Attachments

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PRELIMINARY 2001 WATER RATE SCHEDULE CENTRAL ARIZONA PROJECT

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
COST COMPONENTS	<u>Firm</u>	<u>Advisory</u>			
M&I Capital Charges ^{1/}	\$48/af	\$48/af	\$48/af	\$48/af	\$48/af
Ag Capital Charges ^{2/}	2/af	2/af	2/af	2/af	2/af
Water Delivery Costs					
Fixed OM&R ^{3/}	29/af	Determined Annually			
Pumping Energy Rate 1 ^{4/}	29/af	Determined Annually			
Pumping Energy Rate 2 ^{5/}	40/af	Determined Annually			

	<u>Firm</u>	<u>Advisory</u>			
DELIVERY RATES					
A) M&I	\$58/af	\$66/af	\$69/af	\$72/af	\$75/af
Ag					
B) Pool 1 (200,000 af) ^{6/}	34/af	35/af	36/af	37/af	38/af
C) Pool 2 (200,000 af)	24/af	25/af	26/af	27/af	
D) Pool 3 ^{7/}	36/af	Determined annually			
E) AWBA and M&I Incentive Recharge ^{8/}	45/af				
F) Federal	58/af	66/af	69/af	72/af	75/af
G) Miscellaneous Uses ^{9/}	34/af	Determined Annually			

(Qualifications for A through G footnoted on reverse side)

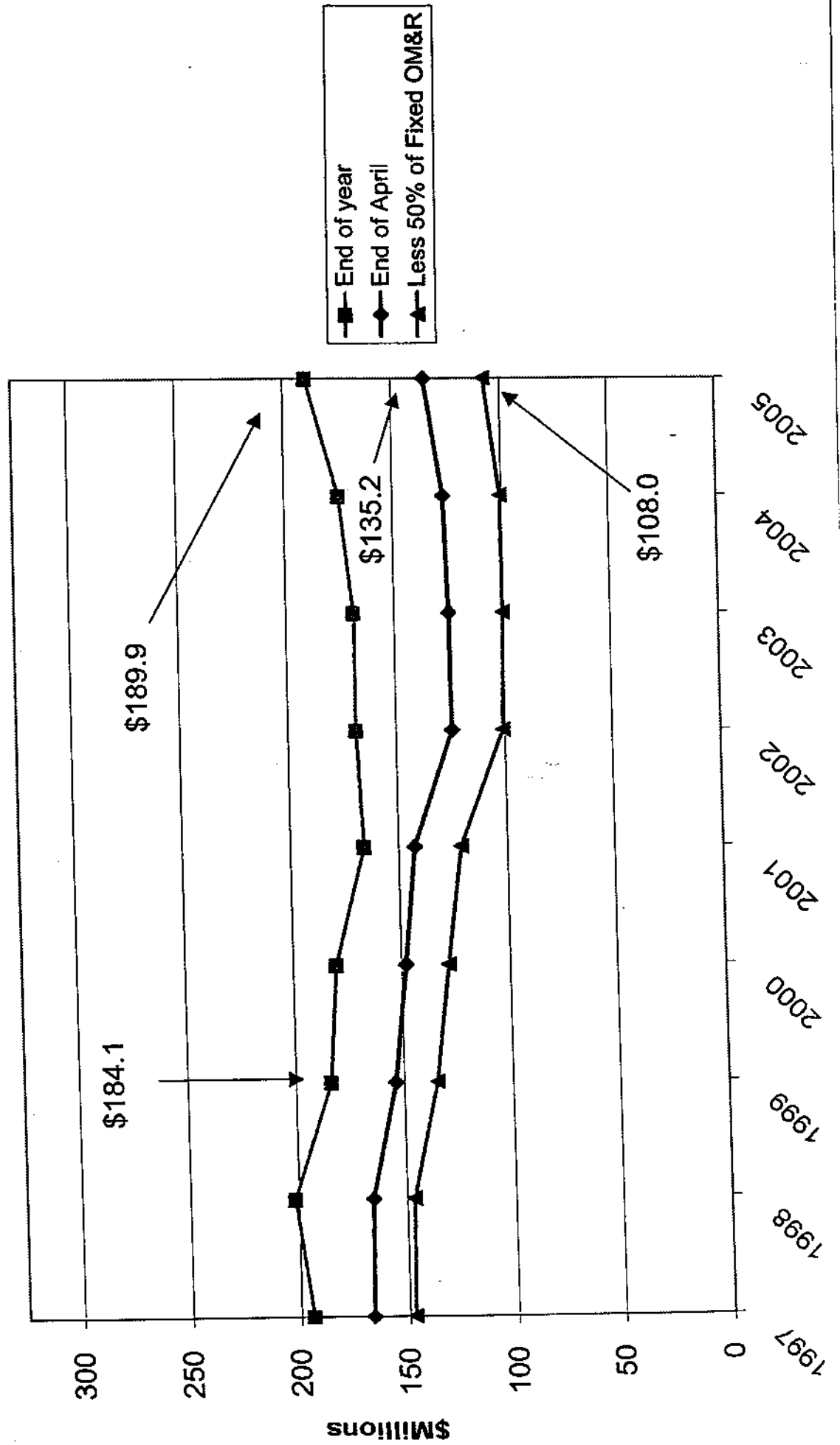
- ^{1/} Paid on full allocation regardless of deliveries, not included in delivery rates.
- ^{2/} Paid on actual deliveries and included in delivery rates.
- ^{3/} \$42.1 million fixed OM&R costs ÷ 1,474,330 af of projected deliveries = \$29/af. This amount is collected on all ordered water whether delivered or not.
- ^{4/} Applies to all water deliveries except AWBA and M&I Incentive Recharge. \$27.6 million pumping energy costs ÷ 938,026 af of projected deliveries = \$29/af. This amount is collected only for water actually delivered.
- ^{5/} Applies to AWBA and M&I Incentive Recharge deliveries. \$21.5 million pumping energy costs ÷ 536,304 af of projected deliveries = \$40/af. This amount is collected only for water actually delivered.
- ^{6/} Ag Pool volume after 2003 is assumed to be 400,000 af (single pool) and rate is assumed to be energy rate 1 only.
- ^{7/} Rate is the pumping energy rate 1 component plus \$5/af contribution towards fixed OM&R plus the \$2/af Ag capital charge. Rate includes Surplus Water.

LONG-RANGE FINANCIAL PLAN WATER RATE DESIGN

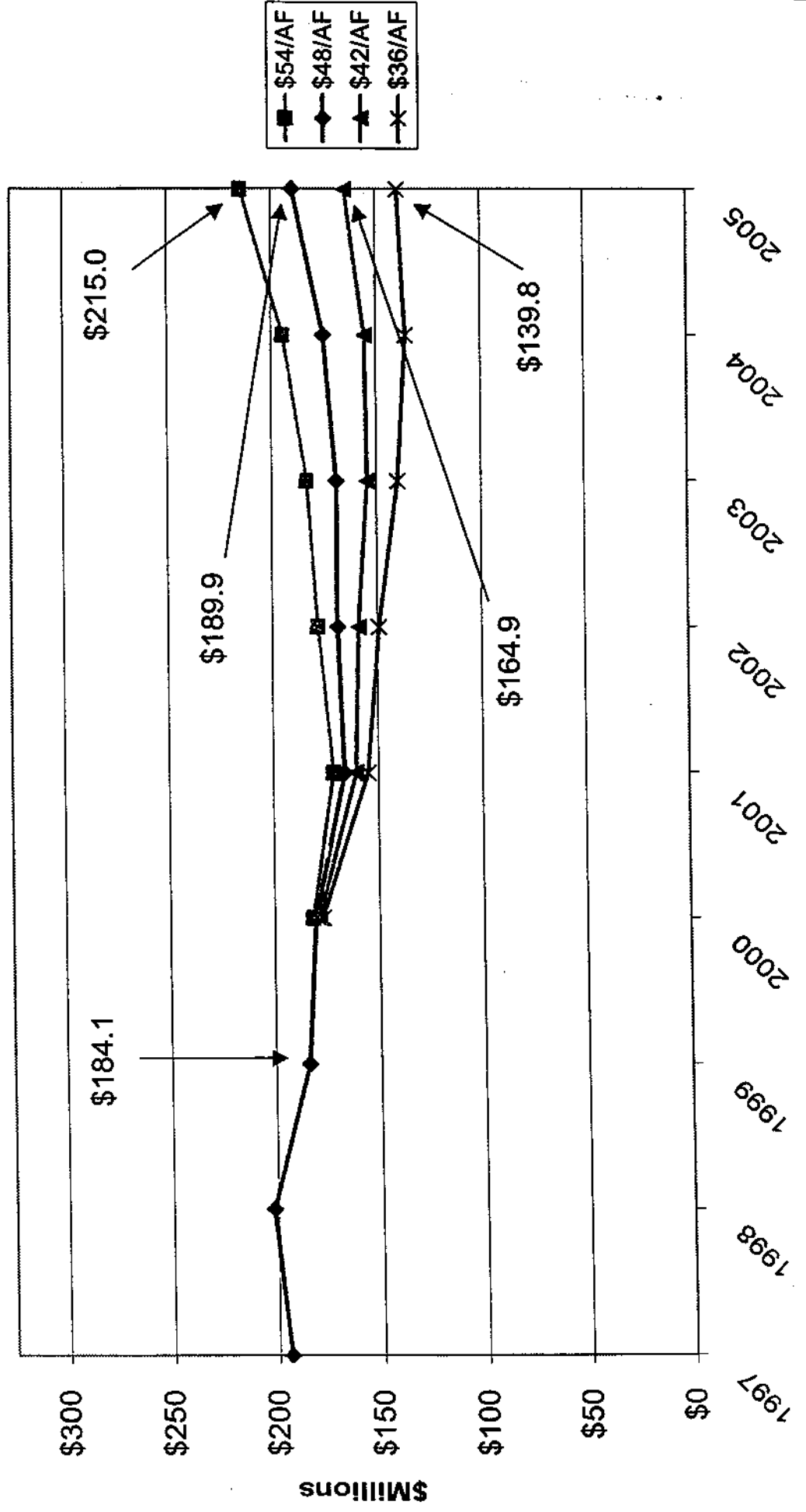
COST COMPONENTS	YEAR												
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Fixed OM&R Costs (\$000)	36,786	37,198	37,208	38,881	42,097	46,857	49,755	52,499	54,497	57,692	59,563	61,789	64,245
Pumping Energy Costs Rate 1 (\$000)	36,755	30,895	40,345	23,220	27,646	30,052	32,050	30,813	32,474	34,146	36,199	38,371	40,629
Pumping Energy Costs Rate 2 (\$000)	0	0	0	16,734	21,473	19,562	18,796	21,065	20,445	19,846	18,935	18,018	17,108
Total Pumping Energy Costs (\$000)	36,755	30,895	40,345	39,954	49,119	49,614	50,846	51,878	52,920	53,991	55,134	56,389	57,737
Deliveries Rate 1 (AF)	1,364,715	1,024,978	1,249,713	932,305	938,026	921,992	941,400	866,060	891,781	916,000	949,000	983,000	1,017,000
Deliveries Rate 2 (AF)	0	0	0	458,327	536,304	493,008	473,600	548,940	523,219	499,000	466,000	432,000	398,000
Total Deliveries (AF)	1,364,715	1,024,978	1,249,713	1,390,632	1,474,330	1,415,000	1,415,000	1,415,000	1,415,000	1,415,000	1,415,000	1,415,000	1,415,000
COST COMPONENTS:													
M&I Capital Charge (\$/AF)	\$39	\$48	\$48	\$48	\$48	\$48	\$48	\$48	\$48	\$48	\$48	\$48	\$48
Ag Capital Charge (\$/AF)	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2	\$2
Water Delivery Costs: 1/													
Fixed OM&R (\$/AF)	\$36	\$29	\$31	\$28	\$29	\$33	\$35	\$37	\$39	\$41	\$42	\$44	\$45
Pumping Energy Rate 1 (\$/AF)	31	36	38	26	29	33	34	35	36	37	38	39	40
Total M&I Delivery Cost (\$/AF)	\$67	\$65	\$69	\$54	\$58	\$66	\$69	\$72	\$75	\$78	\$80	\$83	\$85
Pumping Energy Rate 2 (\$/AF)				\$39	\$40	\$40	\$40	\$38	\$39	\$40	\$41	\$42	\$43
WATER RATES (\$/Acre-Foot)													
Municipal & Industrial													
Subcontract	\$67	\$65	\$69	\$54	\$58	\$66	\$69	\$72	\$75	\$78	\$80	\$83	\$85
Non-Subcontract	67	65	69	54	58	66	69	72	75	78	80	83	85
AWBA Interstate Banking	0	0	0	0	90	93	95	97	102	106	110	114	117
CAGRD	67	65	69	54	58	66	69	72	75	78	80	83	85
Temp Permits	95	145	152	154	155	157	158	160	161	163	165	166	168
Misc. (recre., fish & wildlife)	\$36	\$41	\$43	\$31	\$34	\$38	\$39	\$45	\$46	\$47	\$49	\$50	\$51
Agricultural 2/													
Pool 1	\$28	\$29	\$30	\$31	\$32	\$33	\$34	\$35	\$36	\$37	\$38	\$39	\$40
Pool 2	18	19	20	21	22	23	24						
Pool 3	36	41	43	31	34	38	39						
Surplus	36	41	43	31	34	38	39						
Subcontract	\$67	\$65	\$69	\$54	\$58	\$66	\$69	\$72	\$75	\$78	\$80	\$83	\$85
Federal	\$67	\$65	\$69	\$54	\$58	\$66	\$69	\$72	\$75	\$78	\$80	\$83	\$85
Recharge													
Direct Incentive	\$36	\$41	\$43	\$44	\$45	\$46	\$46	\$45	\$46	\$47	\$49	\$50	\$51
Direct AWBA	36	41	43	44	45	46	46	45	46	47	49	50	51
Indirect Incentive	36	41	43	44	45	46	46	45	46	47	49	50	51
Indirect AWBA	\$36	\$41	\$43	\$44	\$45	\$46	\$46	\$45	\$46	\$47	\$49	\$50	\$51

1/ 1997-2000 rates are preset rates; 2001-2009 rates are calculated by dividing fixed OM&R cost or energy pumping cost by projected delivery acre-feet.
2/ 2001-2009 rates are calculated by dividing fixed OM&R cost or energy pumping cost by projected delivery acre-feet.

CAP Reserve Trend Analysis **(General Fund Non-Master Contract Reserves)** **Reserve Planning**



CAP Reserve Trend Analysis **(General Fund Non-Master Contract Reserves)** **Capital Charge Sensitivity Analysis**



CAP Reserve Trend Analysis **(General Fund Non-Master Contract Reserves)** **Property Tax Sensitivity Analysis**

